

SURVEY TERMINOLOGY

interests in the equity of such affiliates will typically be between 20 and 50 percent. Interests greater than 50 percent will generally be consolidated. Interests less than 20 percent will generally be included in nonoperating income.

c. Total minority interest -

This item equals the total of lines 13a and 13b.

14. Special items reported after
tax -

Include income or loss from extraordinary items, discontinued operations, and any other amounts reported on an after-tax basis. Losses should be entered as a negative amount.

15. Net income after tax -

Include the net after-tax income of the company. This item should equal line 12 less line 13c, plus line 14. Any difference should be identified and explained.

SURVEY TERMINOLOGY

BALANCE SHEET AND CAPITAL EXPENDITURES

- | | |
|--------------------------------------|---|
| 1. Total assets - | Total assets of the company will equal the sum of lines 1a and 1b. |
| a. Operating assets - | Include all assets used to generate operating income. Such assets will typically include current assets; net property, plant and equipment; and net intangibles. Financial assets, except for working capital, will generally be excluded. |
| b. Nonoperating assets - | All assets other than operating assets included on line 1a. Include investments in third-party programmers and in marketable securities. |
| 2. Total liabilities - | Include total liabilities and shareholders' equity of the company. This item will equal both total assets reported on line 1, and the sum of lines 2a, 2b, and 2c. Amounts on lines 2a, 2b, and 2c should be reported only for consolidated operations and should not be allocated to cable operations. |
| a. Interest-bearing debt - | Include all interest-bearing debt whether long-term or short-term and without regard to whether interest is paid in the current year. |
| b. Current and other liabilities - | Include all noninterest-bearing debts; e.g., accounts payable, and other liabilities not included on line 2a. |
| c. Shareholders' equity - | Include all shareholder equity, including common stock, preferred stock, capital surplus, retained earnings, less treasury stock. |
| 3. Capital expenditures | |
| a. Purchase of plant and equipment - | Include the current year cash outlay or funds used for additions to the company's plant, and equipment. |
| b. Other capital expenditures - | Include all capital expenditures other than those included on line 3a. Include investments in programming and acquisitions. |
| c. Total capital expenditures - | This item equals the total of lines 3a and 3b. |

OPERATING INCOME: 1988

OPERATING REVENUES

1. Operating revenues
 - a. Basic service revenues
 - b. Pay TV revenues
 - c. Pay-per-view revenues
 - d. Advertising revenues
 - e. Other cable revenues
 - f. Noncable operating revenues
 - g. Total operating revenues

OPERATING EXPENSES

2. Cost of sales/Programming costs
 - a. Basic services
 - b. Local programming
 - c. Pay TV & pay-per-view
 - d. Other cable cost of sales
 - e. Noncable cost of sales and services
 - f. Total cost of sales/programming
3. Operating, selling, general, & administrative expenses
4. Depreciation & depletion
5. Amortization
6. Total operating expenses
7. Operating income

[illegible]

NET INCOME: 1988

	Total Consolidated Company	Cable Companies Only
8. Operating income (same as line 7)		
9. Non-operating income		
10. Non-operating expense		
a. Interest expense		
b. Other non-operating expense		
c. Total non-operating expense		
11. Pretax income		
12. Total income taxes		
13. After-tax income or loss from minority interest		
a. Consolidated subsidiary		
b. Nonconsolidated affiliates		
c. Total minority interest		
14. Special items reported after tax		
15. Net income after tax		

BALANCE SHEET AND CAPITAL EXPENDITURE DATA: 1988

	Total Consolidated Company	Cable Companies Only
1. Total assets		
a. Operating assets		
b. Nonoperating assets		
2. Total liabilities		
a. Interest-bearing debt		
b. Current and other liabilities		
c. Shareholders' equity		
3. Capital expenditures		
a. Purchase of plant and equipment		
b. Other capital expenditures		
c. Total capital expenditures		

OPERATING INCOME: 1989

OPERATING REVENUES

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BALANCE SHEET AND CAPITAL EXPENDITURE DATA: 1989

	Total Consolidated Company	Cable Companies Only
1. Total assets		
a. Operating assets		
b. Nonoperating assets		
2. Total liabilities		
a. Interest-bearing debt		
b. Current and other liabilities		
c. Shareholders' equity		
3. Capital expenditures		
a. Purchase of plant and equipment		
b. Other capital expenditures		
c. Total capital expenditures		

OPERATING INCOME: 1990

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1. Operating revenues
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 - d. Advertising revenues
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 - f. Noncable operating revenues
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OPERATING EXPENSES

- 2. Cost of sales/Programming costs**
 - a. Basic services**
 - b. Local programming**
 - c. Pay TV & pay-per-view**
 - d. Other cable cost of sales**
 - e. Noncable cost of sales and services**
 - f. Total cost of sales/programming**
- 3. Operating, selling, general, & administrative expenses**
- 4. Depreciation & depletion**
- 5. Amortization**
- 6. Total operating expenses**
- 7. Operating income**

[illegible]

NET INCOME: 1990

	Total Consolidated Company	Cable Companies Only
8. Operating income (same as line 7)		
9. Non-operating income		
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13. After-tax income or loss from minority interest		
a. Consolidated subsidiary		
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14. Special items reported after tax		
15. Net income after tax		

BALANCE SHEET AND CAPITAL EXPENDITURE DATA: 1990

	Total Consolidated Company	Cable Companies Only
1. Total assets		
a. Operating assets		
b. Nonoperating assets		
2. Total liabilities		
a. Interest-bearing debt		
b. Current and other liabilities		
c. Shareholders' equity		
3. Capital expenditures		
a. Purchase of plant and equipment		
b. Other capital expenditures		
c. Total capital expenditures		

APPENDIX B

TABLE B1
NCTA SURVEY RESPONDENTS
AGGREGATE CABLE OPERATIONS DATA
(Thousands of dollars)

	1988	1989	1990
<u>INCOME STATEMENT</u>			
TOTAL OPERATING REVENUES	4,110,096	4,985,031	5,774,604
COST OF SALES/PROGRAMMING	(733,167)	(940,344)	(1,131,991)
OPERATING, SELLING & GENERAL EXP.	(1,615,931)	(1,884,765)	(2,110,188)
DEPRECIATION & DEPLETION	(701,557)	(782,422)	(868,762)
AMORTIZATION	(187,650)	(269,777)	(350,592)
TOTAL OPERATING EXPENSES	(3,238,305)	(3,877,308)	(4,461,533)
OPERATING INCOME	871,791	1,107,723	1,313,071
NON-OPERATING INCOME	232,090	118,812	120,011
INTEREST EXPENSE	(742,278)	(967,218)	(1,091,309)
OTHER NON-OPERATING EXPENSE	(35,115)	(102,101)	(39,955)
TOTAL NON-OPERATING EXPENSE	(777,393)	(1,069,319)	(1,131,264)
PRETAX INCOME	326,488	157,216	301,818
TOTAL INCOME TAXES	(164,585)	(152,200)	(205,665)
TOTAL MINORITY INTEREST	(21,709)	(113,573)	(77,533)
SPECIAL ITEMS REPORTED AFTER TAX	0	(18,169)	0
NET INCOME AFTER TAX	140,194	(126,726)	18,620
<u>BALANCE SHEET</u>			
OPERATING ASSETS	10,089,391	12,277,553	13,219,848
NONOPERATING ASSETS	2,201,202	1,939,308	2,091,724
TOTAL ASSETS	12,290,593	14,216,861	15,311,572
INTEREST BEARING DEBT	8,175,135	10,241,375	11,621,479
CURRENT & OTHER LIABILITIES	1,792,313	2,493,245	2,283,808
SHAREHOLDER'S EQUITY	2,248,441	1,212,037	1,080,108
TOTAL LIABILITIES*	12,290,594	14,216,862	15,311,574
<u>RATIOS</u>			
RETURN ON EQUITY	6.24%	-10.46%	1.72%
RETURN ON TOTAL ASSETS	7.18%	5.91%	7.25%
RETURN ON OPERATING ASSETS	8.64%	9.02%	9.93%

*Note: Total Liabilities do not equal the sum of Interest Bearing Debt + Current and Other Liabilities + Shareholder's Equity because not all respondents provided Interest Bearing Debt and Current and Other Liabilities data. All respondents did provide Shareholder's Equity and Total Liabilities data.

TABLE B2
AGGREGATE COMPUSTAT DATA
Source: Compustat PC Plus
(in millions)

	All Industry	All Industry	All Industry	All Industry W/O SIC 6000	All Industry W/O SIC 6000	All Industry W/O SIC 6000
	1988	1989	1990	1988	1989	1990
<u>INCOME STATEMENT</u>						
Sales	6,232,515	6,610,026	6,555,423	5,488,011	5,802,814	6,319,739
COGS	3,843,257	4,071,313	4,041,413	3,704,636	3,927,018	4,326,670
SG&A	782,101	836,723	842,039	753,013	807,010	884,538
Depreciation	311,612	316,779	314,916	306,646	312,025	339,848
Operating Income	1,295,545	1,385,211	1,357,055	723,716	756,760	768,683
Interest Exp	451,861	560,456	542,485	189,890	224,176	240,307
Non-Op Income	89,501	101,261	90,422	87,820	98,150	104,775
Pre-tax Income	509,296	490,499	434,086	442,516	442,672	413,254
Total Inc. Tax	183,884	182,626	171,514	162,956	165,463	168,446
Minority Int	6,543	8,414	7,813	5,812	7,638	8,293
Extraord. Item	7,296	9,469	3,901	8,427	9,291	2,960
Net Income After Tax	339,250	325,756	274,286	293,799	294,138	256,062
<u>BALANCE SHEET</u>						
Total Assets	11,589,126	12,311,266	12,200,397	6,129,558	6,591,608	7,130,107
Non-Operating Assets	1,799,573	1,819,851	1,635,234	809,384	819,748	874,448
Cash & Equiv	1,058,735	1,083,626	923,644	405,039	401,329	418,299
ST Invst	200,685	202,179	151,187	115,340	114,668	110,519
Invst & Advnc	540,153	534,046	560,403	289,005	303,751	345,630
Ttl Liab.	9,114,031	9,755,503	9,656,615	4,027,415	4,422,316	4,818,651
Ttl Debt	3,625,756	3,956,862	3,874,895	2,016,854	2,269,017	2,433,131
Ttl LT Debt	2,023,234	2,177,141	2,146,687	1,449,392	1,585,335	1,657,995
Current Debt	1,602,522	1,779,721	1,728,208	567,462	683,682	775,136
Other Liabilities	3,007,727	3,237,555	3,241,214	(97,028)	(21,309)	77,347
Stk Equity	2,480,548	2,561,086	2,540,506	2,107,589	2,174,607	2,308,172

TABLE B3

NUMBER OF FIRMS REPORTING BY DATA ITEM

Source: Compustat PC Plus

	All Industry	All Industry	All Industry	All Industry W/O SIC 6000	All Industry W/O SIC 6000	All Industry W/O SIC 6000
	1988	1989	1990	1988	1989	1990
<u>INCOME STATEMENT</u>						
Sales	7,167	6,953	5,930	6,264	6,112	5,888
COGS	6,739	6,543	5,536	6,065	5,919	5,697
SG&A	5,671	5,495	4,612	5,400	5,273	5,050
Depreciation	6,872	6,663	5,663	6,245	6,093	5,875
Interest Exp	6,977	6,783	5,770	6,106	5,970	5,726
Non-Op Income	6,915	6,699	5,701	6,243	6,079	5,861
Pre-tax Income	7,161	6,952	5,928	6,259	6,111	5,886
Total Inc. Tax	7,158	6,945	5,925	6,256	6,106	5,885
Minority Int	6,338	6,131	5,189	5,558	5,409	5,197
Extraord. Item	7,165	6,950	5,930	6,263	6,109	5,888
<u>BALANCE SHEET</u>						
Total Assets	7,165	6,952	5,929	6,262	6,111	5,887
Ttl Liab.	7,160	6,949	5,926	6,257	6,108	5,884
Stk Equity	7,164	6,949	5,929	6,261	6,108	5,887
Ttl LT Debt	7,157	6,948	5,926	6,255	6,108	5,885
Current Debt	7,161	6,948	5,922	6,264	6,112	5,887
Cash & Equiv	6,965	6,758	5,738	6,060	5,918	5,696
ST Invst	3,406	2,900	2,122	3,043	2,606	2,210
Ivst & Advnc	6,575	6,380	5,406	5,853	5,712	5,497
Capital Exp	6,598	6,395	5,417	5,949	5,799	5,583
PPE Cap Expen	6,859	6,654	5,650	6,197	6,044	5,811